



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

TIDEWATER REGIONAL OFFICE

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COMMONWEALTH OF VIRGINIA Department of Environmental Quality Tidewater Regional Office

STATEMENT OF LEGAL AND FACTUAL BASIS

U.S. Navy – Commander, Navy Region, Mid-Atlantic
Norfolk Naval Station, Sewell's Point, Norfolk, Virginia
Permit No. TRO-60941

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, termed Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Naval Station Norfolk has applied for a modification to its Title V Operating Permit for its Norfolk, Virginia facility. The Department has reviewed the application and has prepared a Title V Operating Permit modification.

Air Permit Writer:

Matthew M. Fanghella
(757) 518-2013

Date: **DRAFT** August 18,
2016

Regional Air Permits
Manager:

Wayne H. Franklin

Date: _____

Regional Director:

Maria R. Nold

Date: _____

I. FACILITY INFORMATION

Permittee

U.S. Navy – Commander, Navy Region Mid-Atlantic

Responsible Official

Lindsey M. Evans
Air Program Manager

Facility

Naval Station Norfolk
Sewell's Point
Norfolk, Virginia

Contact Person

Lindsey M. Evans
Air Program Manager
(757) 341-0374

County-Plant Identification Number: 51-710-00194

SOURCE DESCRIPTION

NAICS Code: 928110 - National Security

The facility is the public works/operations, supply and maintenance department at the home port of the Navy's Atlantic Fleet. No products are manufactured at the facility. There is not one distinct, overriding "process" conducted at this facility. Instead, various activities and operations are conducted primarily to support the ships and aircraft of the Navy Atlantic Fleet. Processes include, but are not limited to: external combustion units (boilers for steam heat and industrial use); internal combustion engines (diesel emergency generators); surface coating operations for maintenance of marine vessels, aircraft, and facilities; abrasive blasting related to marine vessels and aircraft maintenance; and woodworking shops for facility maintenance, packing, and shipping.

The facility is a Title V major source of NO_x, CO, PM, PM₁₀, SO₂, VOC, and HAPs. This source is located in an attainment area for all pollutants, and is a PSD-sized source. The facility is not permitted under a PSD permit. The facility is currently permitted under several Minor NSR Permits dated February 18, 2010, August 10, 2011, November 17, 2011, November 21, 2011, November 22, 2011, November 23, 2011, December 14, 2011, September 24, 2012, and June 21, 2016.

II. COMPLIANCE STATUS

A full compliance evaluation of this facility, including a site visit on June 17, 2015, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time. The source submitted an application for a NSR permit on February 2, 2016 and subsequently submitted an amendment to this application April 4, 2016. Simultaneously, the source also submitted an application for a significant modification to their Title V permit on February 2, 2016 and subsequently submitted an amendment to this application on April 4, 2016. Both of these applications were for four (4) 750 kW diesel emergency generators installed on January 14, 2016.

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III. EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

On June 21, 2016 a NSR permit was issued to the facility for the installation and operation of four (4) 750 kW diesel emergency generators. The facility's Title V permit is now being amended to reflect the conditions of the NSR permit dated June 21, 2016. The emissions units permitted under this NSR permit have been inserted into the Title V permit and are included in the table below.

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity	Minor NSR Permit Date
ICGF-W143-3	STICGF-W143-3	Generac MD750 Diesel Emergency Generator	750 kW	June 21, 2016
ICGF-W143-4	STICGF-W143-4	Generac MD750 Diesel Emergency Generator	750 kW	June 21, 2016
ICGF-W143-5	STICGF-W143-5	Generac MD750 Diesel Emergency Generator	750 kW	June 21, 2016
ICGF-W143-6	STICGF-W143-6	Generac MD750 Diesel Emergency Generator	750 kW	June 21, 2016

IV. CHANGES TO PERMIT

This action is a significant modification to the Title V Federal Operating Permit (FOP) issued on December 22, 2014 to include the 4 four 750 kW diesel emergency generators permitted under the NSR permit issued on June 21, 2016.

This equipment is subject to certain federal NSPS and MACT requirements, specifically, NSPS IIII, and MACT ZZZZ, National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines.

V. CHANGES TO THE DECEMBER 22, 2014 ISSUED FOP

The following conditions from the NSR permit issued on June 21, 2016 have been added into Section IV of the December 22, 2014 Title V FOP.

Limitations

Condition 60 :	Emissions Controls
Condition 61:	Emissions Controls
Condition 63:	Operation of the Emergency-Generator Set
Condition 64 :	Approved Uses
Condition 65:	Hour Limit
Condition 66	Approved Fuels
Condition 68	Emissions Limit
Condition 69:	Opacity Limit

Monitoring

Condition 62:	Monitoring Devices
Condition 77	Internal Combustion Engine Requirements - Monitoring

Recordkeeping

Condition 67:	Fuel Certification
Condition 78 d.:	Recordkeeping
Condition 78 e.:	Recordkeeping
Condition 78 j.	Recordkeeping

Testing

Condition 80:	Visible Emissions Evaluations
Condition 81:	Testability

Streamlined Requirements

Condition 14 Initial Notifications & Condition 15 Permit Invalidation from the NSR Permit Dated June 21, 2016 have been streamlined out of this FOP because the four (4) 750 kW diesel emergency generators (Unit Ref. Nos. ICGF-W143-3, ICGF-W143-4, ICGF-W143-5, and ICGF-W-143-6) have already been installed and the facility completed the notification requirements on June 28, 2016.

Other Considerations

On May 1, 2015, the U.S. Court of Appeals for the District of Columbia Circuit issued a vacatur of the emergency demand response provisions in NSPS, Subparts IIII and JJJJ, and MACT, Subpart ZZZZ (paragraphs 40 CFR 60.4211(f)(2)(ii)-(iii) in NSPS, Subpart IIII, 60.4243(d)(2)(ii)-(iii) in NSPS, Subpart JJJJ, and 63.6640(f)(2)(ii)-(iii) in MACT, Subpart ZZZZ). According to EPA's interpretation of the ruling, the vacatur will have certain inferences for operators/owners of emergency generators that participate in an emergency demand response program. The operation of an engine-generator for the purpose of emergency demand/load response on or after May 1, 2016 will be considered a non-emergency operation. Such operations will classify an emergency engine-generator as a non-emergency unit which would require compliance of that engine with the appropriate non-emergency engine emission standards and operating requirements of NSPS, Subpart IIII or Subpart JJJJ, and MACT, Subpart ZZZZ, as applicable. For the purpose of Virginia's minor new source review permitting program (Article 6), nothing has changed due to the vacatur of the emergency demand response provisions in NSPS, Subparts IIII and JJJJ, and MACT, Subpart ZZZZ. Virginia's regulatory definition of emergency still provides for participation in valid emergency load response programs.

This facility has emergency generators that are included in the PJM Demand Response Program. While the permit was open DEQ Air Permitting Staff consulted the source regarding the status of these units. The source explained that the units had not been operated as part of the PJM Demand Response Program since the May 1, 2016 vacatur and will not operate them as part of the PJM Demand Response Program until an internal decision is made. At this time, the source requests to keep the ability to operate in the PJM Demand Response Program in the permit until such internal decisions are made. Please see the attached EPA Memorandum, *Guidance on Vacatur of RICE, NESHAP, and NSPS Provisions for Emergency Engines* for additional information on this subject.

(Link: <https://www3.epa.gov/airtoxics/icengines/docs/RICEVacaturGuidance041516.pdf>)

Additionally, while the permit was open, the permittee requested that DEQ Air Permitting staff update some information to reflect recent changes regarding the boilers at the facility. The following boilers and associated conditions and requirements were removed from the permit for the following reasons:

BOIL-NH202	Demolished/removed
BOIL-P1-56	Permanently out of service
BOIL-P1-57	Permanently out of service
BOIL-SP85-042	Demolished/removed
BOILSP85-043	Demolished/removed

Furthermore, during a recent stack test, DEQ Air Compliance staff and the permittee discovered that some of the boilers that were previously determined to be applicable to MACT DDDDD (5D) were actually not applicable to MACT DDDDD (5D). These units were identified and moved to the insignificant Emissions Unit Table in Condition 203 of the FOP as shown in the table below, because they meet the definition of hot water heater in MACT 5D.

Emission Unit No.	Emission Unit Description	Citation	Pollutant(s) Emitted (9 VAC 5-80-720 B)	Rated Capacity (9 VAC 5-80-720 C)
BOIL-GRP-#2	No. 2 Fuel Oil-Fired Hot Water Boilers*	9 VAC 5-80-720 C.2.b	N/A	< 1.6 MMBtu/hr each
BOIL-GRP-NG	Natural Gas-Fired Hot Water Boilers*	9 VAC 5-80-720 C.2.a	N/A	< 1.6 MMBtu/hr each

IV. GENERAL CONDITIONS

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

V PUBLIC PARTICIPATION

The proposed permit will be placed on public notice in the Virginian-Pilot from September 25, 2016 to October 26, 2016.